

Commission to Modernize State Procurement
April 21, 2016 3:00 p.m .
16 Francis Street, 4th Floor Conference Room, Annapolis, MD 21401

Commissioners in Attendance

Lieutenant Governor Boyd Rutherford
Nancy Kopp, *Maryland State Treasurer*
John Gontrum, *Assistant Comptroller, Comptroller of Maryland*
David Brinkley, *Secretary, Maryland Department of Budget & Management*
Gail Bassette, *Secretary, Maryland Department of General Services*
Jimmy Rhee, *Special Secretary, Maryland Office of Minority Affairs*
Michael Zimmerman, *Director, Maryland Department of Transportation, Office of Procurement*
John Molnar, *Co-founder, Integrity Consulting*
Eric Regelin, *President, Granix, LLC.*
Sheila McDonald, Esq., *Executive Secretary, Maryland Board of Public Works*
Delegate Dan Morhaim, *District 11, Member of the Health and Government Operations Committee*
Eileen Straughan, *President, Granix, LLC.*
Sheryl Brissett-Chapman, *CEO, National Center for Children and Families*
Ronald Lipford, *CEO, Arel Architects Inc.*
Al Bullock, *Chief of Staff, Maryland Department of Information Technology*

Welcome

The Commission to Modernize State Procurement convened for its second meeting at 3:00 PM on April 21, 2016.

Lieutenant Governor Boyd Rutherford opened the meeting welcoming the Commissioners and audience.

Commission Members then introduced themselves.

Approval of Minutes

Secretary Brinkley made a motion to approve the March 14, 2016 meeting minutes. Secretary Bassette seconded. The motion passed.

Progress Reports from Workgroup Co-Chairs

Initiatives Workgroup:

Secretary Rhee said the Initiatives Subcommittee had a conference call on April 8th. Secretary Rhee suggested members to review the Treya report and the Department of Legislative Services - Maryland's Procurement Policies and Procedures to encourage a common understanding.

Secretary Rhee said they established four subgroups within the workgroup to tackle their four initiatives:

1. Expand Small Business Reserve Program to all agencies

2. Expand small procurement limit and single purchase limit for corporate purchase cards (CPC)
3. Simplify Minority Business Enterprise (MBE) certification process
Note: The Lt. Governor suggested the Governor's Office of Performance and Improvement could help simplify the Minority Business Enterprise (MBE) certification process by mapping out the process and establishing time frames for each step in the process.
4. Establish standards allowing State to obtain overall best value instead of only lowest price

Workforce Workgroup:

Secretary Brinkley said the Workforce Workgroup had a conference call on April 13th. They identified 3 principal issues:

1. Procurement Manual, Best Practices and Training
2. Barriers to Retaining Qualified Procurement Staff
3. Develop Self-Directed Training Module for Businesses

Secretary Brinkley addressed the Workgroup's action items:

- A. Research existing procurement manuals and procurement competency testing programs within the State, federal government and other states to mirror or use as examples to create Maryland's online living document for procurement staff. The Department of Budget and Management (DBM) will compile this information.
- B. Survey Maryland procurement classifications and compensation and compare with the procurement job classifications of the federal government and other states to establish credentials for procurement officers to obtain consistency across the State. The Department of Budget and Management, Board of Public Works (BPW) and Governor's Grants Office (GGO) will compile this information.
- C. Research training developed by National Procurement Groups for a review of developed training materials. DBM and GGO will compile this information along with previously developed DBM training materials.
- D. Establish centralized online procurement portal through eMaryland Marketplace (eMM). Update the eMM home page to create tabs for procurement staff and vendor training, resources, BPW and control agency contacts. DBM, Maryland Department of General Services (DGS), Department of Information Technology (DoIT), BPW and GGO will set-up content of the eMM Home Page. DBM will gather existing vendor training documentation from Governor's Office of Minority Affairs (GOMA), DGS, DBM and other agencies to add to "Vendor Training" web page link from eMM.

The Lt. Governor suggested that the Department of Information Technology create a "How to do Business in Maryland" link on the maryland.gov website to provide out-of-state vendors with instructions and resources.

The Workforce Workgroup will meet again on May 5th.

Efficiencies Workgroup:

Mr. Bullock said the Efficiencies Workgroup met on April 1st and April 15th.

Mr. Bullock discussed the 7 opportunities for procurement improvement:

1. Reduction of transaction costs for State agencies by utilizing new technologies to increase efficiencies and make the procurement process more accessible to businesses
2. Simplification of procurement reporting requirements to allow agency procurement staff to more effectively manage their time
3. Simplification of the current Request For Proposal (RFP) template to make it be easier for businesses to understand and respond
4. Reduction in the number of documents businesses are required to submit with proposals prior to a contract award
5. Determination of how best to address clearly evident mistakes on procurement submissions
6. Review the mandatory terms and conditions of procurement contracts
7. Development of a mechanism that would deter bidders from submitting frivolous protests

The Workgroup agreed to develop three subgroups to focus on assigned opportunities. The three subgroups are:

1. Technological Improvements
2. Commonality of Operations
3. Reduction of Overhead

Mr. Bullock said he is concerned about the crossover between the workgroups, and suggested a centralized access point, or shared folder, with all relevant documents and minutes. The ultimate goal would ensure all commissioners are operating under the same assumptions.

Workgroup Timelines/Deadlines

The Lt. Governor instructed members to meet deadlines. The Commission will submit its preliminary recommendations by late August/ early September, and review these recommendations prior to its deadline for the final report on December 1, 2016.

The Lt. Governor mentioned the Commission is one member short and he will follow up with the Maryland Senate on their recommendation.

Public Meetings

The Commission will hold three public regional meetings to receive input from the vendor community and the general public. The first one will be held in Bowie, Maryland on May 10th.

Public Comment

Question: In regards to online eSourcing, “What are they doing in the corporate world?”

The Lt. Governor said the Efficiencies Workgroup will look at eSourcing. The corporate world is much more proven- and action-oriented while State agencies have legal restraints and limitations. Maryland may start by analyzing the federal government’s model.

Questions/Concerns

No questions or concerns.

The Lt. Governor thanked the Commission members, acknowledged the workgroups’ hard work, and stated that the Commission will continue to move forward.

Meeting Adjourned at 4:00 p.m.